

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

<p>In the Matters of: Petition for Order Declaring South Slope Cooperative Telephone Company, Inc. an Incumbent Local Exchange Carrier in the Iowa Exchanges of Oxford, Tiffin and Solon</p>	<p style="text-align: center;">WC Docket No. 04-347</p>
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**REPLY COMMENTS OF THE RURAL IOWA INDEPENDENT
TELEPHONE ASSOCIATION IN SUPPORT OF THE PETITION
SOUTH SLOPE COOPERATIVE TELEPHONE COMPANY**

By Public Notice released September 3, 2004, the Commission sought comments on a Petition filed by South Slope Cooperative Telephone Company to be named and incumbent local exchange carrier in three exchanges. The Rural Iowa Independent Telephone Association (RIITA) comments in support of to the petition.

RIITA is a non-profit association of rural independent telephone companies, representing approximately one hundred and thirty Iowa incumbent local exchange carriers. RIITA's membership is limited to companies that serve fewer than 20,000 access lines. In reality, most members actually serve far fewer than 20,000 access lines and many serve fewer than 1000 lines. Most members serve high-cost rural exchange and receive high-cost support.

In Iowa, several smaller independent telephone companies and cooperatives have entered into competition with the substantially larger carriers, Qwest and Iowa Telecom. In some of these exchanges, the vast majority of the customers in the exchange moved old service or started new service with the competitor. In each of these instances, superior communications services, superior offerings of high-speed internet access, and local service technicians and business

offices were the primary reasons for the competitive success. In each of these instances, customers of the large ILEC perceived that they had received many years of inferior service and were being served by a company that was not willing to make the investment in telecommunications services that were necessary for high-quality service. In these exchanges, the independent telephone companies that made investments, took financial risks, and built out new communities have demonstrated that quality service is desired by rural customers and have shown that a company offering quality service can gain a large percentage of the available access lines.

When the vast majority of customers elect to purchase services from a competitor, like South Slope, it is reasonable to determine the issue of whether the competitor should be named an ILEC pursuant to 47 U.S.C. section 251(h)(2).

South Slope has shown that it meets the three-part test to determine that it is an incumbent pursuant to section 251(h)(2). It has shown that it occupies a position in the market for telephone exchange service within an area that is comparable to the position occupied by the existing incumbent and that it has substantially replaced the incumbent. As South Slope explains in its petition, granting its petition is consistent with the public interest, convenience and necessity and the purposes of universal service.

In opposition, Iowa Telecom raises a number of theoretical and potential issues. Iowa Telecom essentially attempts to cast doubt on South Slope's ability to accomplish its obligations as an ILEC, despite the fact that South Slope has provided the same quality service while meeting its obligations in its ILEC exchanges. South Slope has not indicated that it has any intent to avoid any actions required of an ILEC.

The Iowa Utilities Board expresses great concern over its jurisdiction. The consequences of granting this petition on state jurisdiction can be dealt with separately. The key question ought to be whether South Slope meets the test in section 251(h)(2), not whether the Iowa Utilities Board is concerned over jurisdictional issues. South Slope meets the statutory requirements and its petition ought to be granted.

Clarification of the rules that will be applied to these types of petitions would be of great benefit to the Iowa independent telephone industry. It would recognize that in these circumstances, regulatory definitions ought to reflect reality. Granting this petition by South Slope would ease a number of disputes that have arisen in the exchanges where the ILEC has been replaced in fact. RIITA supports the Petition filed by South Slope.

Respectfully Submitted,

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